

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

BOARD OF DIRECTORS

MINUTES OF Thursday, May 19, 2011 MEETING

Board Members Present: Thomas Deller, Chairperson; Jerome Williams; Stephen Durkee; Michael Lewis; Rochelle Lee; Edward Field; and William Kennedy.

Absent: John Rupp

Also Present: Charles Odimgbe, Chief Executive Officer; Steven Richard (Outside Counsel); Maureen Neira; and Ellen Mandly and other members of RIPTA's staff and members of the public whose names are on the sign-in sheet.

Agenda Item 1: Vote on April 18, 2011 Meeting Minutes

Mr. Deller called the meeting to order at 1:50 p.m. and asked if the Board members had an opportunity to review the minutes of the meeting held April 18, 2011. The members indicated they had and Mr. Williams recommended a word change on page 4. Mr. Field made a motion to approve the minutes with the suggested change and Mr.

Durkee seconded the motion. The minutes of the meeting held April 18, 2011 were unanimously approved as amended.

Agenda Item 2: Public Comments

Mr. Deller asked for public comment and reminded those present that public comment is not a question and answer session, rather an opportunity for the Board to hear comments from the public and take those comments under advisement. If a topic is raised during public comment that warrants further discussion, it may be added to the agenda for the next Board meeting.

Mr. Deller recognized Molly Clark from the Lung Association/Coalition for Transportation Choices (CTC) who commented on the House Finance Committee hearing held the previous day, which is also on today's agenda for discussion under the CEO Report. Ms. Clark said that hopefully we will have some good luck with the budget and the initiatives proposed by the CTC. She added that there was a good turnout at the hearing.

Mr. Deller thanked Ms. Clark for her comments and hearing no other comments asked the CEO for his report.

Agenda Item 3: Chief Executive Officer's Report

Mr. Odimgbe began his report by discussing ridership saying it

continues to increase when compared to the same time period last year. Overall year-to-date ridership went up .57% and paratransit ridership saw increases of 3.7% year-to date. He noted that revenues per miles were down for the month of April; however we are still above last year's numbers by 1.33%. He is hopeful that these numbers will begin to come down as our services and KPI's improve. He noted the new format for presenting ridership data on page C-4 of the CEO report.

Regarding Key Performance Indications (KPI) the CEO said that the new vehicles recently introduced into the fleet will mean fewer failures on the road. He noted that on fixed route on-time performance we have jumped up to 70% from 65% which is a good trend. He acknowledged the hard work of Jimmy Dean for the improvement in this area.

Next Mr. Odimgbe reported on House Bill 5789 which was heard the previous day. He thanked all those who testified in support of the bill which if approved will provide additional revenues to RIPTA totaling about \$8 million dollars. The bill received good support with only two groups testifying against the proposal. He warned that if the bill does not pass and if there is no budget relief it will mean drastic service adjustments. He acknowledged that this is not something he wants to say, or anyone wants to hear, but it is the reality of the situation we face if no funding solution is identified.

Mr. Odimgbe was asked why the KPI's showed an increase in complaints and if this was due to better recordkeeping or a higher volume of complaints. The CEO surmised that it was the former saying previously complaints often went into a black hole, but under the new management, complaints are being better recorded, researched and responded to. Many complaints are of a routine nature, standard for the bus industry, some are a fluke, and some are legitimate, but regardless of the nature of the complaint, all are followed up on more diligently with better recordkeeping and response. Mr. Odimgbe then answered some questions on how complaints are taken and tracked.

Next the CEO discussed the FY 2012 budget which he called a moving target that continues to be adjusted up and down. He discussed the adjustments reported on and implemented last month then said staff has made additional revisions this month which bring budget total to \$102.1 million. These revisions will be discussed in more detail later in the meeting.

Mr. Odimgbe reported that staff is working collaboratively to better prioritize our capital purchases going forward so that it is not just the CEO making every call. He asked staff for lively input and debate in order to engage them in this new process which will determine what investments to make in which years. He said the hope is to achieve some equity in resource development and invest our scarce resources in those programs that will have the most return on

investment in the current environment.

Regarding contract negotiations he said we have begun the process of negotiating with Labors International Local 808 on their contract which expired in 2009. We expect some cost impacts depending on the outcome of these negotiations and will keep the Board apprised of developments.

Mr. Odimgbe said he asked staff to prioritize initiatives in the new strategic plan in order to better support the goals and objectives outlined in same. He asked that the goals and objectives be characterized as either short or long term and that implementation objectives be developed.

Finally Mr. Odimgbe reported on upcoming staff trips and continuing education saying the Information Technology department and maintenance staff visited transit properties in Boston, MA and Rochester, NY to gain firsthand knowledge of Fleet Management Software. Preliminary reports of the visits indicate that staff is very impressed with the performance of the software and they agree that it will assist RIPTA in better managing our resources. We intend to initiate the procurement process to enable us to procure the software for implementation at RIPTA.

He said that on June 1st he will be visiting New York City transit with Ms. Neira and Mr. Therrien to speak with their management team

about their efforts that reduced their budget deficit by over \$100 million. While at the property they will also review other pertinent operational areas that may assist us in improving our service deployment. Finally the CEO will be attending the APTA Bus and Paratransit conference in Memphis, TN along members of RIPTA's Information Technology department to look at their computer aided dispatching systems. Meetings are scheduled with RNR Consulting, the system integrators for that deployment, to give us a firsthand look at this system. He expressed confidence that the APTA Conference will provide us with much needed insight into these systems and may even offer valuable perspective on potential pitfalls.

Agenda Item 4: FY 2012 Budget Update

Ms. Neira addressed the Board with the FY 2012 budget update. First she noted that the Board package this month contained two CEO reports – March as expected and also the April Report. Mr. Odimgbe recently requested that staff close the books each month within the first 10 days. For this reason some figures contained in the reports will not be actuals and this information will be highlighted in yellow denoting a partial number or an estimate. She said a test run of the report had been done and she was comfortable with the estimated figures. She cautioned that the yellow areas may change from month to month. She answered questions about the process of estimating the figures and which areas may be estimates in coming months and why.

Ms. Neira said she did a test run in the interest of full disclosure and any discrepancies identified were de minimis. She added that this new method may make the year-end closing hectic but she will deal with it. Mr. Williams said he applauds this new initiative.

Mr. Field referenced the letter dated May 12th from Paul Dion at the Dept of Revenue handed out at the start of the meeting and asked if these figures were factored in to today's figures and Ms. Neira said no, the letter arrived after the materials were prepared.

Ms. Neira began giving the FY 2012 budget update saying at the April Board meeting the budget update included modifications derived through various internal streamlining initiatives that reduced the deficit by about \$1.6 million giving us a revised deficit of \$4.9 million. The current update reflects a reduction of \$700,000 attributable to the inclusion of the ERRP reimbursement funds related to health care, a revised health care working rate and removal of health costs associated with the deferred positions, a final pension valuation and various other budget modifications. These modifications bring the deficit down to \$4.2 million.

Ms. Neira said she was pleased that the deficit was now down to \$4.2 million; however the projections contained in the Paul Dion letter will impact that number and bring the estimated deficit up to \$4.6 million.

Mr. Deller asked if there were any questions for Ms. Neira. Hearing none he moved on to the next agenda item.

Agenda Item 5: Strategic Planning Committee Report

Thomas Deller addressed the Board to give a report of the Strategic Planning Committee meeting held Thursday, May 5th and said the Committee discussed how to keep the message of the Strategic Plan current now that the report has been finished and released via twitter, Facebook, RIPTA's website and other venues.

The committee also discussed funding versus vision and there was a consensus that the committee should be advocates for the vision in the plan. The committee discussed the recent Governor's Transportation Forum held April 6th. John Flaherty spoke briefly about the event and said it was a success with over 200 attendees.

Mr. Deller said that Committee intends to discuss how to move the plan forward when it meets in June, specifically how to make it a working plan. Following the June meeting, the Committee will go on hiatus for the summer and staff will work on revising RIPTA's service standards. When the Committee resumes in September, they will work with staff on the new draft of the service standards.

Mr. Deller asked for questions and hearing none moved on to the next

agenda item.

Agenda Item 6: Subcommittee Assignments

Mr. Deller addressed the issue of subcommittee assignments and said they delayed the subcommittee assignments at the last meeting to see if the Senate would take up any appointments and at this point they have not. At this time he suggested that for continuity we begin by changing the Joint Pension Subcommittee in contemplation of upcoming changes in Board membership. He asked if Steve Durkee and Jerry Williams would be willing to serve on the Pension Subcommittee along with him and that this change be effective at the next meeting. Messrs Durkee and Williams agreed to serve.

Additionally he spoke with Charles Odingbe about creating another committee and calling it the Executive Committee. He said that this Committee would be comprised of the officers of the Board namely he, Mr. Williams and Mr. Durkee and that they would meet about two weeks prior to the monthly Board meeting to review issues and keep things moving forward. Mr. Deller asked Ellen Mandly to schedule a regular time and day for this meeting.

The makeup of the other subcommittees will not be changed at this time.

Agenda Item 7: Service Cuts/Modifications

Mr. Odingbe addressed the agenda item regarding service cuts and/or modifications by saying he did not want to wait to react to the funding crisis RIPTA is facing therefore he asked Mark Therrien to identify cost saving service cuts and modifications before the new fiscal year. He specified that the cuts and modifications should be structured to have as little impact on our riders as possible. He said he will work tirelessly to limit the damage to the service on the street, but he must initiate these discussions while waiting for word from the Governor's office and the legislators on how to close the budget gap.

Mr. Field asked if staff was working on a way to change policy to use the Ride and Flex vehicles in other areas of the system. Mr. Therrien said they are and used Tiverton as an example, a service which they are now considering using in Charlestown.

A brief discussion then ensued on satellite storing of vehicles, deadheading and flexibility.

Finally Mr. Odingbe said he is hoping to expand the collaboration between RIPTA and RIDOT saying this has been a good relationship. Director Lewis agreed saying he absolutely supports expanding the collaboration particularly if it will avoid cuts and provide a new resource.

Agenda Item 8: Executive Session Pursuant to RIGL 42-46-5(a)(1)

for Discussions and/or Action Relating to the Job Performance, Character or Physical or Mental Health of a Person and Pursuant to RIGL 42-46-5(a)(2) for Discussions related to Collective Bargaining and to a Pending Personal Injury Claim in litigation

Mr. Deller read the law to convene an executive session pursuant to RIGL 42-46-5

(a)(1) For Discussions and/or Action Relating to the Job Performance, Character or

Physical or Mental Health of a Person and Pursuant to RIGL 42-46-5(a)(2) for

Discussions related to Collective Bargaining and to a Pending Personal Injury Claim

in Litigation and asked for a motion. Mr. Kennedy made the motion to adjourn to

executive session and Mr. Durkee seconded. A roll call vote was taken and the

motion to convene to executive session passed unanimously.

Following the Board's return to open session Ms. Lee made a motion to seal the minutes of the executive session. Mr. Williams seconded the motion, and it passed unanimously.

Agenda Item 9: Adjournment

Ms. Lee made a motion to adjourn the meeting. Mr. Williams

seconded the motion and it was unanimously approved and the meeting was adjourned.

Respectfully submitted,

Ellen M. Mandly

Recording Secretary